GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6285
ANSWERED ON:06.05.2005
VEHICLE INSURANCE
Pathak Shri Brajesh

Will the Minister of FINANCE be pleased to state:

(a) whether the General Insurance Companies plan to introduce insurance of the commercial vehicles;

(b) if so, the details thereof;

(c) whether the General Insurance Companies make a third party insurance of the commercial vehicles more than five year old;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a)&(b): General Insurance Companies are marketing commercial vehicle insurance policies for comprehensive coverage as well as stand alone third party (TP) liability. Motor insurance in India is governed by the Tariff Regulations which define the policy terms and conditions including scope, classification, rating factors and minimum values applicable for insurance of vehicles. These regulations are required to be followed by the general insurance companies while underwriting the motor business.

(c) to (e) : There is no age limit for issuance of TP liability Insurance cover for motor vehicles. All the General Insurance companies registered with Insurance Regulatory and Development Authority are authorised to issue TP liability policy as per the requirements of Motor Vehicles Act.